

# Small Cities Development Program

## Housing Rehab

### Eligible Properties

- Located in the geographic area that encompasses the application
- Suitable for rehabilitation (*total rehab cost cannot exceed 75% of the market value*)
- Current on property taxes
- Permanent structure

### Household Income

- Gross household income must be at or below 80% of the county median income
- All income verified through 3rd parties (*aids in determining eligibility for deferred loan*)

### Financial Assistance

- Deferred loan amount will vary on a case-by-case basis
- Deferred loans are secured with a Repayment Agreement. If the property is sold, title is transferred or is no longer the primary residence of the participant:
  - ~ within the first 6 yrs., the full amount must be repaid to the HRA

~ the amount of repayment is reduced 20% for each year until the end of the 10th year.

~ at the end of the 10th year, the loan is forgiven (becomes a grant)

### Eligible Activities

- Deferred loans may be used to:
  - ~ remove health, safety or other deficiencies & to bring the structure into compliance with the rehabilitation standards (*roofing, siding, plumbing, water supply, septic systems, or wiring*)

~ improve the property by increasing the structure's energy efficiency (*insulation or installing storm windows*)

~ modify or rehabilitate the unit to make it accessible for a handicap or disabled member of the household (*structural, exterior, bathroom, kitchen*)

### Income Guidelines (2012)

Family Size	Goodhue County
1	\$40,800
2	\$46,600
3	\$52,450
4	\$58,250
5	\$62,950
6	\$67,600
7	\$72,250
8	\$76,900

### Financial Assistance

Income Limits by Household Size	% Property Owner Match	% Deferred Loan	Max. Deferred Loan Amount
-60%	0%	100%	\$25,000
61-70%	10%	90%	\$22,500
71-80%	20%	80%	\$20,250
81-90%	30%	70%	\$18,225
91-100%	40%	60%	\$16,402.50



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